



Listening Learning Leading

Grant Funding for Affordable Housing

Guidance Note

General

1. We hold commuted sums received in lieu of the on-site delivery of affordable housing. Whilst there is a presumption that all housing development must provide affordable housing on-site (where policy requires an affordable housing contribution), there are some occasions where this has not been possible, or the on-site affordable contribution results in a 'part unit'. In both cases, we seek a financial contribution in lieu of the affordable housing on site. These contributions can be made available to Registered Providers and other bodies to assist with the cost of affordable housing delivery across the district.
2. The grant funding of affordable housing is only made available to projects that are delivering affordable homes over and above that required by policy.
3. Affordability, value for money, innovation and low, zero or carbon negative proposals will be key considerations in our assessment of applications for grant.
4. Affordable housing is defined in the National Planning Policy Framework (NPPF) Annex 2. However, we may prioritise the delivery of specific tenure types within the NPPF definitions.
5. Any decision to award grant funding will be at our absolute discretion.

Eligibility criteria and grant funding objectives

6. The purpose of this grant funding is to deliver new, high quality, affordable homes. The grant cannot be applied to enable tenure switching, or for the rehabilitation or upgrading of existing affordable dwellings. In considering applications for the grant funding of new affordable housing, we will consider the following: -

7. Affordability

The district is an area of very high land values relative to much of the UK, and this directly impacts on house prices and rents. Affordability will be a key consideration in the evaluation of applications for this grant.

8. Rented housing

In addition to meeting the National Planning Policy Framework (NPPF) definition of affordable, we will also expect rents to be set significantly below the maximum permissible 80 per cent of market rent for a given area. Social Rent levels are considered to be highly desirable in order to make homes genuinely affordable to households with low to moderate incomes.

9. Low cost home ownership

There has traditionally been strong demand for shared ownership homes in most parts of the district. We will also consider alternative models of low-cost home ownership where it can be demonstrated (in addition to NPPF compliance). They will need to constitute a genuinely affordable opportunity to assist lower income households to access the housing market and offer a competitive alternative to the traditional shared ownership model.

10. Environment

Our council has declared a climate emergency. To help tackle climate change, it is important that we fund new housing that reflects this through innovative design, construction, and low, zero, or negative carbon footprint.

Any additional costs associated with the delivery of such homes will need to be quantified and should not impact on affordability through the charging of higher rents.

11. Types of homes and location

There is high demand for affordable housing across the whole district. However, some areas see a greater demand due to the presence of larger settlements, facilities and infrastructure. Equally, some rural settlements present fewer opportunities or may have exceptionally high land values.

We will evaluate opportunities for the delivery of new affordable housing on a case by case basis, taking into account affordability and innovation, but will prioritise geographical areas where demand is significant and in locations that are considered to be sustainable in addition to other factors already set out

above.

There is demand for a wide range of dwelling types. Again, opportunities will be evaluated on a case by case basis, taking into account local, as well as district-wide needs.

In addition to high quality and innovative design, all homes funded with the assistance of grant must meet the nationally described space standard (NDSS).

Whilst the overwhelming demand is for general needs family accommodation, we are keen to support the provision of specialist accommodation where demand for such accommodation can be demonstrated. This could include various forms of supported housing.

12. Eligible bodies

We will work with housing providers to help achieve its ambition to meet the demand for high quality, affordable homes. In the majority of cases, we expect the grant claiming body to be a Registered Provider, although we will also give consideration to applications from community groups such as Community Land Trusts, and other delivery organisations, where they can demonstrate viable projects and sound financial standing. Applications from local authority housing delivery vehicles will be considered.

Completing the application form

13. Prior to submitting the application, you should contact the Affordable Housing Team affordablehousingteam@southandvale.gov.uk to discuss your proposal. Please complete the form fully before you send in.

14. You should submit a supporting statement with the application. In addition to outlining the proposal in detail, it should specifically address the following: -

- Affordability
- Value for money
- Community benefit
- Environment
- Why the project cannot be delivered without grant

A financial appraisal, layout and location plan must also be submitted with the application.

15. The form should be returned to the address shown at Part 5 of the application form no later than the date indicated.

Next Steps

16. Applications are accepted between the dates shown on the application form. Evaluation of all applications received will take place after the cut-off date. However, it is recognised that a grant funding decision may be time-critical for a particular project. The bringing forward of a decision will be at our absolute discretion.
17. Following the cut-off date, applications will be evaluated against the objectives set out in this guidance note. Where applications are deemed to have met the objectives, they will be considered by the council's Cabinet and Full Council for approval, and applicants notified of the outcome as soon as possible thereafter.
18. All enquiries should be addressed to affordablehousingteam@southandvale.gov.uk